

Review of Ian Morris (2011) *Why the West Rules- For Now*, Profile Books, and Wayne Grudem and Barry Asmus (2013) *The Poverty of Nations*, Crossway.

Economists have been asking why some nations prosper and others decline for a long time now. This is one reason why a review of these two (relatively!) recent books is a worthwhile. Another reason to be interested is that one of these books (the second) is written from a Christian perspective. Whilst the other book does not ignore religion, it treats religion in a rather reductionist way which ultimately I find disturbing.

First of all, Morris' book. It is by far the larger (at 726 pages, about double the count of the second book). Morris is a British-born but now California based archaeologist though he should be acknowledged as a true polymath. You may find his work the more entertaining read of the two, though I would be surprised if you find this is a book which cheers you up.

As the title implies, Morris is concerned with tracking and explaining the relative balance between the "East" and "West" as measured by what he terms "social development". For him, East usually means China (in Morris' book references to China- usually the Eastern leader- massively outweigh those to India) and West means all those civilizations which can trace an ancestry back to Mesopotamia (strictly speaking, Morris identifies the original core for the Western civilizations as the mountainous crescent around Mesopotamia-what he calls the "hilly flanks"- rather than the lowland area between the rivers Tigris and Euphrates). This means that Morris' definition of the West *includes* various versions of Islamic civilization whether the 8th century caliphate or Ottoman Turkey or contemporary.¹

Morris argues the West is currently in the lead in terms of social development, that this has been true for several hundred years and will continue to be the case for a few decades more. The end of Western predominance is in sight. He argues that hitherto there have been two schools of thought which have attempted to explain this Western predominance:

- "Locked in"- that it was an inevitable outcome determined by deep forces (p. 14) such as climate or latitude (Diamond, 1997). (In the past some academics might have been inclined to consider genetic explanations although these are now mostly discredited, Morris p. 51).²
- A late occurrence which was actually somewhat accidental (p. 19), as has been argued by Frank (1998), Goldstone (2009) and Pomeranz (2006)- in other words, as late as the seventeenth century different policies or personalities or contingent events in general could have produced a very different outcome.

Morris supports neither of these viewpoints. He thinks it is better to say that today's Western predominance was highly probably (not inevitable) and this has been the case for some time now- probably most of the last 1,000 years (p. 572).³ In fact, as he measures it (the construction of his "data" is discussed below), the West has been ahead in terms of social development for most of the last 14,000 years.

But what does Morris mean by social development and how did he measure it? He constructed an index of social development. He stressed this was a “positive” rather than a “normative” measure; the index shows how far a society has developed but need not imply such development is a good thing. The index consists of four components:

- Energy consumption per capita (pp. 626-8).
- Capacity to fight war (p. 633).⁴
- Urbanisation (as indicated by the population size of the largest city in each of the East and West, p. 632).
- Information communication (speed with which data can be processed times the per cent of society who are sufficiently “literate” to process that data, p. 637).

These four components were weighted such that the first, energy usage, dominates the index until 1800 with a weight of 75-90% (p. 627). As might be expected, for the period before about 1900 the measure of energy consumption is inferred rather than direct- we can be fairly certain about two points, usage would have been close to bare subsistence in 14,000BC (the amount of calories of food intake to keep someone alive) and the contemporary usage rates for the year 2,000AD. In between these data points Morris provides intelligent interpolations informed by some ingenious proxies (e.g. measures of pollution in Arctic ice or the number of shipwrecks in the Mediterranean, p. 309). Given that Morris’ index is, at least until the last 19th and 20th centuries, largely a measure of intensity of energy use one might expect it to track any measures of GDP per capita. This is in fact the case, Angus Maddison’s estimates of global GDP per capita since AD1 suggest broadly similar trends to Morris’ index (Maddison, 2006).

So, what does Morris’ index of social development show? The very long run graph of social development for both the East and West, as might be expected, tracks a path very similar to a graph showing global population. There is a very slow, often imperceptible, upwards crawl during the centuries and millennia through to AD1800 and then a sharp upwards bend. Morris notes this and gives a helpful discussion for non-mathematicians of the value of sometimes using log graphs. For 13,000 of the last 14,000 years, that is almost all of the period since the last major Ice Ages, the social development index in the West was at a higher level than its counterpart in the East. Importantly, settled agriculture began in the Western core, parts of Turkey-Iraq-Syria, several thousand years before China.

In the early centuries of the first millennia AD both the Roman Empire and Han China reached what would prove to be a pre-modern peak of social development. Morris argues it would be a very long time, not until the late 18th century, before those levels of social development would again be attained. This is a strong claim but it is worth noting that Maddison’s estimates tell the same story, and writing in the 1770s the English historian Edward Gibbon claimed that humanity had reached its greatest height of prosperity and tranquillity under the Roman empire in about AD200

(Gibbon, 1996).⁵ By AD500 political collapse in both East and West had been accompanied by major declines in the social development index. Relatively speaking, the West suffered more and China moved ahead of the Western level of social development and kept that position, according to Morris, until the late 18th Century.

In explaining such patterns Morris believes geography is key. For example, in the hilly flanks, the upland areas to the east of the rivers Tigris and Euphrates there was scope to begin to grow crops at an earlier date and with greater diversity than was the case in south-central China (p. 561). According to Morris, geography came into play again around AD1500. He is anxious to play down personalities and policies. It was not just that a Chinese emperor placed a ban on further trans-oceanic explorations in AD1424, the shapes and sizes of the Pacific relative to the Atlantic implied that it was always more likely that a European would get to Mexico first. If a few battles can gone a different way⁶ the *form* of eventual Western superiority in the 19th century might have been different but it would still have happened- the industrial revolution could have been delayed 50-100 years but it would still have happened, perhaps in France rather than Britain (pp. 500-1).

Morris certainly covers a dazzling amount of ground but how should we evaluate his approach? A number of points can be made:

- Any economist worth his/her salt will concede how imprecise GDP measures are over, say, the last ten years. Given that, what can we make of a measure which claims to quantify the last 100, 1,000 and 14,000 years? Morris' figures and his underlying story-line both feel plausible (of course, there may be a certain amount of interation between the two). As I've already noted, during the last two millennia we can compare his social development index to Maddison's GDP figures and in some ways the two are consistent. The big difference is that Maddison dates the West's predominance over the East in per head terms to as early as AD1200 rather than about AD1780. Assuming Maddison's GDP per capita estimates for Europe and China are accurate then a possible explanation as to why Morris' index gives China a relatively higher figure during AD1200-1750 is that part of his social development index is based on the population size of the largest city and during most of that period a Chinese city was the largest urban settlement in the world.
- Morris takes a neo-Darwinian approach to human origins to its logical conclusions. So he views humanity as a species which has thrived by making some big evolutionary leaps (coming down out of the trees, spreading beyond Africa). Humanity's survival may require it to make further such leaps- towards the end of his book Morris considers some sort of blending between organic humanity and machine-based intelligence a reasonably plausible scenario. Near the start of his book, p. 62, he admits he finds the sudden appearance of human self-consciousness, art and possibly religion (as evidenced by cave paintings and other artefacts apparently dated to about BC50,000) perplexing. He references the literature about visiting aliens (Arthur C Clarke) and

mentions the “supernatural” (p. 63) but moves on without providing any naturalistic explanation for what he terms humanity’s great leap forward.

- Morris is very deterministic, “The West rules because of geography... Biology and sociology provide universal laws applying to all humans in all times and places, geography explains differences” (p. 557). On several occasions he uses the line, “every age gets the thought it requires” (p. 420, pp. 568-9). Thus, the growth of Christianity in the Roman Empire (AD200-500) and of Buddhism in the East at about the same time is explained as a response mechanism to the political and economy decay (p. 327). Morris’ approach to religion in general is actually rather sweeping and reductionist- thus, for example, Isaiah, Socrates/Plato and Confucius are all lumped together as part of a global “axial” movement⁷ notwithstanding the very different content of their teachings (p. 254 and p. 262).⁸ The growing “feminisation” of the labour force in the first the USA and then other parts of the West after the AD1950s is similarly explained as a response to deep structural change rather than any sort of “exogenous” cultural development.
- I thought Morris’ overview of the prospects for humanity stark and depressing (p. 608). Over the next 50 years or so we will either destroy ourselves in a nuclear war (the “Nightfall” scenario, here Morris is paying tribute to Issac Asimov) or we will evolve through the “Singularity” produced by combining carbon-based life with IT (p. 618). I find neither obliteration or the ultimate up-loading particularly appealing- there is not much hope here, Christian or otherwise.

Turning then to the second book, Grudem and Asmus, this is much shorter at 368 pages. The focus is narrower- promoting more rapid economic growth in modern societies (p. 78) and promoting that growth specifically through the wider adoption of Christian values and principles. This book is written from an explicitly Christian focus. As the foreword, written by the US evangelical Rick Warren, says, “The solution [...] lies neither with Marx nor the market, but in the words of the Master”. It may be of note that Grudem is a professor of theology, as well as a prolific Christian writer, and Asmus is a professional economist (senior economist at the National Center for Policy Analysis). They write (Grudem and Asmus, p. 27), “We are not aware of any other book that approaches the question of world poverty at the national level from this combined perspective”, though this may be a rather sweeping claim.⁹

The poverty they particularly wish to see reduced is that of parts of the developing world, especially Africa (p. 21). Grudem and Asmus review some of the literature; Collier (2007), Acemoglu and Robinson (2012), Mayo (2009) and Easterly (2006).

They argue growth in GDP per capita is something to be applauded and something much more likely to produce sustainable improvements in national material well-being than large scale international aid (pp. 45-63). In their view, growth is much more effective at reducing poverty than redistribution (p. 49 and p. 77) and measures

of quality of life are positively correlated with levels of GDP per head (p. 47). They claim some Scriptural support for this emphasis on growing the economy (pp. 59-61); Proverbs 31:10-31, Genesis 1:28, Ephesians 4:28 and 2 Thessalonians 3:10.

Grudem and Asmus similarly celebrate the market mechanism. According to Grudem, “The free market is a wonderful, God-given process in human societies through which the goods and services that are produced by society (supply) continually adjust to exactly match the goods and services that are wanted by society (demand) at each period in time”. It is worth quoting Grudem at length given that he demonstrates a faith that the market economy will provide *continuous* market clearance in a manner somewhat reminiscent of the Walrasian auctioneer.¹⁰ I am very willing to grant a “providentialist” explanation of the working and value of the market mechanism but surely a Biblical evaluation should derive from both the doctrines of Creation and the Fall. Given the pervasive impact of sin it is probably not unreasonable to expect some flaws and failure as to how well the market will work in practice.

There are some things to praise in this book. There is no doubt that Grudem and Asmus are addressing an important matter. Christians and others should be working to reduce absolute poverty and deprivation in the developing world. So, the intention of the authors is noble.

They are not afraid to make some policy recommendations, such as reductions in farm subsidies in the developed world or lower tariffs against products coming from the poor countries, which will not necessarily play well across the broad evangelical constituency in the USA to which this book is partly directed (pp. 97-99).¹¹

There are several notable contrasts between the approach taken in Grudem and Asmus compared to Morris. In Morris religion and cultural values are treated as passive and responsive to the economy. They are in no ways drivers of economic change. This obviously contrasts to Grudem and Asmus. Indeed, Grudem and Asmus, unlike Acemoglu and Robinson (2012) argue values shape institutions which then impact on economic growth and development.¹²

It is also to Grudem’s credit that he felt sufficiently exercised by economic questions to look afresh to the Bible to see what wisdom it might provide. He decided it could be worthwhile to team up with an economist to write this book.

At the same time, it saddens me to have to say I found some aspects of this book problematic. Grudem is a writer that over the years I have found immensely helpful.¹³ On this occasion, however, he may have over-reached himself and this attempt to splice together a bit of Biblical exegesis with some technical economics has some shortcomings. Here are three:

First, the authors seem to minimise the moral risk associated by their growth imperative. They do recognise that a person’s relationship with God is of greater importance than material prosperity (p. 41 and p. 215). They argue that market exchange encourages truth-telling (p. 192)- under certain circumstances, yes, but not always. At one point (p. 196) they assert that the capitalist economy channels

greed and over time may change selfishness into enlightened self-interest. At another point they assert that it will be possible to raise productivity without damaging morality (p. 220). They argue (p. 43 and p. 365) that it should be possible for the developing countries to both raise their levels of GDP per capita whilst retaining traditional moral attitudes and cultural values which are (often) superior to those now practised in the West. I would like this to be true but a little bit more reflection might be helpful. After all, over the years a number of Christian commentators, including John Wesley, have noted the depressing cycle whereby “religious people” work hard, then become more prosperous and then, in the long run, they tend to become less religious.¹⁴

Second, I cannot find any recognition that markets sometimes fail- that concept seems to have been assumed away. They do have a section “Objection: Free markets do not work” (p. 207) but whilst they cite the anti-market positions of Presidents Obama and Chavez, and Steven Spielberg, there is no engagement with the economic theories about market failure. The consideration of unemployment is therefore quite brief (e.g. it is sometimes caused by excessively strict rules regarding hiring and firing (p. 278), the authors think this is especially prevalent in the EU (p. 129)).¹⁵ They do argue (pp. 253-6) that the state has a responsibility to provide compulsory universal education but they do not demonstrate why government should be funding this service (and not, for example, health care- Grudem and Asmus make a negative reference to Obamacare).

Third, whilst it is possible to produce a Christian defence of the market economy it would need to be more nuanced than the one offered in this book. Grudem and Asmus do not really engage with the possibility that the pursuit of profit within the market economy could sometimes undermine the very virtues such as honesty and trust which provide the moral foundations of that economy. Nor do they sufficiently differentiate¹⁶ between those proponents for capitalism such as Friedman and Hayek¹⁷ who did so from a nakedly secular basis and those who were prepared to argue from an explicitly Christian basis.¹⁸

Dr Esmond Birnie, Senior Economist, Ulster University Economic Policy Centre.

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¹ Morris emphasises this point, pp. 353-4. I wonder if this follows from the extent to which he downplays the differences between the major world religions viewing them all as somewhat passive factors which respond to the needs of the economy and the fundamental (ultimately geographical) determinants of social development.

² All of modern humanity, *Homo Sapiens*, is considered to have had a single (genetic) origin and to have come out of Africa. Compare Acts 17: 26!

³ To get to a different outcome in terms of Eastern social development exceeding Western after AD1800, Morris argued (p. 575) it would be necessary to roll-back to about AD1100-1350. If China could have avoided the devastation of Mongol and other nomadic invasions and conquests perhaps an iron-coal-based economic development would have continued and accelerated to mimic what happened in Britain during 1750-1830.

⁴ An intriguing and maybe worrisome metric- how can one really compare the capacity of a caveman with Roman soldier or a member of Napoleon's Imperial Guard or a F-15 jet fighter? The estimates used by Morris imply numbers close to zero all through human history until about 1900 and thereafter a very rapid acceleration. I wonder if the measure should be offensive power *relative* to the defensive response rather than, as seems to be assumed here, pure destructive power?

⁵ Strictly speaking, Gibbon identified a golden era of about one century between the death of the emperor Domitian and the accession of the emperor Commodus. Morris acknowledges Gibbon's assessment (p. 307).

⁶ At first glance, this is reminiscent of Goldstone and the "California School" of economic history's emphasis on "contingency". If the musket ball that grazed King William III of England at the battle of the Boyne in AD1690 had actually killed him perhaps no Bank of England, British parliamentary government and industrial revolution. But, note how Morris changes this argument. He implies that even a super-hegemonistic France post-Louis XIV would very probably have had sufficient resources and talent to be the cradle of European/Western industrialisation (pp. 500-1).

⁷ During the period about BC500-300.

⁸ In some respects, Morris' book covers a lot more ground and is a better argued book than Niall Ferguson's 2011 book *Civilization The West versus the Rest* which also attempts to consider why the West came to dominate the world economy. However, it is worth pointing out how far Ferguson's account of modern economic history takes a positive view of the impact of Christianity as an explanatory factor in its own right. Ferguson (2011) quotes a fellow of the Chinese Academy of Social Sciences as saying, "The Christian moral foundations of social and cultural life was what made possible the emergence of capitalism and the successful transition to democratic politics. We don't have any doubt about this".

⁹ Surely, Donald Hay 2004, *Economics Today A Christian Critique*, Regent College Publishing, Vancouver, deserves an honourable mention. Also, the works of B. Griffiths and W. Röpke, as considered in note xviii, below.

¹⁰ This quote is contained in Grudem and Asmus (2013) but comes originally from the earlier Grudem, W. 2010, *Politics According to the Bible*, Zondervan, Grand Rapids.

¹¹ US conservative and evangelical Christians are probably disproportionately concentrated in the Mid West and more rural parts of the USA and so are more likely to have benefitted from such protectionist and anti-free market policies. Intriguingly, most US evangelicals voted for Donald Trump in the 2016 Election- Mr Trump was certainly not a supporter of the sort of free trade (based on the theory of comparative advantage) policies which are strongly endorsed in Grudem and Asmus.

¹² Grudem and Asmus make (pp. 311-313) the very valuable point that one weakness in Acemoglu and Robinson's study is the extent to which they have to appeal time and time again to "contingency". In Acemoglu and Robinson's schema whether your country develops or not will often come down to "good or bad luck". I think Christians especially, I hope this isn't just the Calvinist in me coming through (!), should be very cautious about any explanation which relies on "luck".

¹³ Notably, his 1994, *Systematic Theology*, IVP, Leicester, and his 2006, *Discovering Biblical Manhood and Womanhood*, Crossway, Wheaton IL.

¹⁴ For Wesley, see S. Wheeler 2010, "Prosperity and its Discontents", *Reflections A Magazine of Theological and Ethical Inquiry from Yale Divinity School*, reflections.yale.edu

¹⁵ There is just one reference to J.M. Keynes and it is his famous quote about destroying society by "debauching" the currency.

¹⁶ In a way, the authors' failure to make this differentiation is surprising. Grudem and Asmus are part of a Reformed Christian tradition where there has long been a distinction (as argued by, for example, Abraham Kuyper and Francis Schaeffer) between being a *co-belligerent* with another party which does not share all our values and a full-blown alliance.

¹⁷ It is true Grudem and Asmus are able to quote (p. 188) the point in Hayek's *Road to Serfdom* where he references the compatibility of his ideas with Christian respect for the individual. However, Hayek's overall approach was to emphasise the market as an end in itself rather than an arena within which we can exercise moral responsibility. One writer has noted that, "Morality was almost always absent in the writings of Hayek, Friedman and Buchanan" (D.S. Jones 2012, *Masters of the Universe: Hayek, Friedman and the Birth of Neo-Liberal Politics*, Princeton University Press, Princeton, p. 112). The same writer records a very significant comment which the philosopher Karl Popper made in an interview shortly before his death in 1994, "Well I do believe that in a way one has to have a free market, but I also believe that to make a godhead out of the principle of the free market is nonsense" (Jones *ibid.*, p. 40).

¹⁸Brian Griffiths' books *Morality and the Marketplace*, and *The Creation of Wealth: A Christian Case for Capitalism*, Hodder and Stoughton, 1982 and 1984 respectively, do try to draw this distinction. Griffiths is referenced only once in Grudem and Asmus book. Grudem and Asmus do not reference Wilhelm Röpke who may still provide perhaps the best recognition of the market as a place to exercise morally responsible freedom allied to a warning about how the post-second World War mass consumption economy has hammered away at the virtues and moral foundations necessary to maintain that economy in the long run. W. Röpke (originally) 1958 and 2014, *The Humane Economy The Social Framework of the Free Market*, ISI Books, Wilmington DEL.